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# HOUSE BILL No. 1256

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-8-5-2.1.

**Synopsis:** Individual insurance risk pools. Requires an insurer that issues an individual policy of accident and sickness insurance to continue to accept new risks into at least one policy issued by the insurer for at least five years after the policy is first issued.

**Effective:** July 1, 2011.

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### Borders

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January 12, 2011, read first time and referred to Committee on Insurance.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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# HOUSE BILL No. 1256



A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 27-8-5-2.1 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2011]: **Sec. 2.1. (a) As used in this section, the term "policy of  
4 accident and sickness insurance" does not include the following:**  
5 (1) **Accident only, credit, dental, vision, Medicare supplement,  
6 long term care, or disability income insurance.**  
7 (2) **Coverage issued as a supplement to liability insurance.**  
8 (3) **Automobile medical payment insurance.**  
9 (4) **A specified disease policy.**  
10 (5) **A short term insurance plan that:**  
11 (A) **may not be renewed; and**  
12 (B) **has a duration of not more than six (6) months.**  
13 (6) **A policy that provides indemnity benefits not based on any  
14 expense incurred requirement, including a plan that provides  
15 coverage for:**  
16 (A) **hospital confinement, critical illness, or intensive care;**  
17 **or**



- 1           **(B) gaps for deductibles or copayments.**
- 2           **(7) Worker's compensation or similar insurance.**
- 3           **(8) A student health plan.**
- 4           **(9) A supplemental plan that always pays in addition to other**
- 5           **coverage.**
- 6           **(10) An employer sponsored health benefit plan that is:**
- 7               **(A) provided to individuals who are eligible for Medicare;**
- 8               **and**
- 9               **(B) not marketed as, or held out to be, a Medicare**
- 10            **supplement policy.**
- 11           **(b) An insurer shall not issue or deliver an individual policy of**
- 12            **accident and sickness insurance in Indiana unless the insurer**
- 13            **accepts new risks for coverage under at least one (1) individual**
- 14            **policy of accident and sickness insurance for at least five (5) years**
- 15            **after the date the policy is first issued by the insurer in Indiana.**

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